
**TULSA DEVELOPMENT AUTHORITY
STAFF REPORT**

MEETING DATE: June 2, 2016
TO: CHAIRMAN & BOARD MEMBERS
FROM: O.C. Walker, Executive Director
SUBJECT: Single Family Dwelling
LOCATION: 765 East Tecumseh Street, Tulsa, Oklahoma

Background:

Developer:	James Zeigler
Owner:	Tulsa Development Authority
Location:	765 East Tecumseh Street, Tulsa, Oklahoma
Size of Tract:	(100' x 126.66') 12,666 Sq. Ft.
Number of Lots:	Two (2) Lots
Development Area:	Carter Evelt Addition
Fair Market Value	\$9,400.00
Executive Director:	O.C. Walker II

This is a request for the TDA Board of Commissioners to enter into a Redevelopment Agreement with James Zeigler to construct a single family dwelling on TDA owned property located at 765 East Tecumseh Street, Tulsa, Oklahoma. On April 4, 2016, the TDA Office received a Letter of Interest to redevelop on the subject property. As a result of the letter of interest, the TDA Office ordered an appraisal. TDA received the appraisal on May 6, 2016 from Integra Reality Resources. The established Fair-Market value is \$9,400 for the property. On May 10, 2016, James Ziegler executed the Offer to Purchase and provided a 5% deposit in the amount of \$470.00.

Should the TDA Board of Commissioners choose to enter into this Redevelopment Agreement, the potential Home Owner will have to provide Construction Drawings and Specifications, together with proof of financing.

Attachments: -Letter dated April 4, 2016 from Brandon Jackson
Offer to Purchase, dated May 10, 2016
Appraisal dated April 29, 2016
Appraisal Review dated April 29, 2016

Recommendation: Staff recommends the TDA Board of Commissioners enter into negotiations with James Zeigler for the purchase and redevelopment of the subject property.

Reviewed By: O.C. Walker II



April 4, 2016

RE: Subject property located in Carter Evelt Addition Lots 3 and 4 ; Block 3 former Redia Inc. parcel south of and adjacent to Ogan's Circle Subdivision.

Mr. Walker,

On behalf of my client, I would like to inquire about acquiring the subject property located in Carter Evelt Addition on East Tecumseh Street North and West of Lansing Avenue. The legal description contains portions of Lots 3 and 4 of Block 3. Can you notify staff and legal of my client's intent to purchase the subject property of the intent of constructing a single family residence? It is my understanding that a RFP would not have to be in place for said transaction. Please review and respond accordingly to the following questions?

1. Does TDA have a clear and marketable title of subject property?
2. Does TDA have an Abstract for the subject property?
3. What resolutions or separate instruments of record need to be filed in order to convey the property?
4. Current appraisal value? If not known, when can TDA have the site evaluated?
5. Plat of survey and lot corner locations in the field status?
6. Time frame for next steps? If title is clear for sale.
 - Letter of intent by developer – Done
 - Board action – clearing marketability
 - Appraisal
 - Redevelopment Contract

Thank you for your time and effort in assisting TCH's acquisition and redevelopment of the subject property. If you have any questions or comments, feel free to contact me at 918.688.5974 or via email.

File name: James and/or Jackie Zeigler

Regards,

Brandon Jackson

**Brandon Jackson, President
Tara Custom Homes, Inc
1322 West Woodrow Street
Tulsa, OK 74127**

OFFER TO PURCHASE

TO: Tulsa Development Authority, 1216 N. Lansing Ave, Suite D
Tulsa, OK 74106.

OFFER:

1. I/We James Zeigler, Jr., hereinafter referred to as "Buyer", offers to purchase and develop, subject to the terms set forth herein, the following described property owned by the Tulsa Development Authority:

ADDRESS & LEGAL DESCRIPTION

765 East Tecumseh Street Tulsa, Oklahoma 74106 Legal Description: Lots three (3) and four (4) less South10 Thereof for road. Tax Parcel #07000-02-25-05450

L. CARTER ADDN. SUB.

2. Buyer offers to purchase the above described property for Nine Thousand Four Hundred and No/100 Dollars (\$9,400.00).
3. Buyer submits herewith Four Hundred Seventy and No/100 Dollars (\$470.00) equivalent to five percent (.05%) of bid price as an earnest deposit. Deposit shall be cash, check, certified check, cashier's check, faithful performance surety bond, or pledge of negotiable bonds of the Federal government or any of its instrumentalities as market value.

Buyer reserves the right to withdraw the Offer to Purchase made hereby, provided that, in the event of withdrawal, Buyer may, at the option of the Tulsa Development Authority forfeit its earnest deposit, such forfeiture to be considered as liquidation of damages to the Tulsa Development Authority.

4. Buyer offers to pay for property in cash upon transfer of title thereto to the Buyer, subject to the following conditions:
 - (a) Earnest deposit will be retained by the Tulsa Development Authority pending full performance and completion of any proposed redevelopment by Buyer according to the terms and conditions hereof. If this purchase involves multiple properties, each will be conveyed to Buyer as payment in full is made on each individual property.
 - (b) In instances when a parcel is not yet ready for conveyance pending title work, demolition or other delay, the Tulsa Development Authority will give notice in writing to the Buyer of availability of the property when ready for ownership.

- (c) Buyer will complete the purchase and pay the purchase price within 30 days after the receipt of notice of availability from the Authority or such other date as may be mutually agreed upon.
- (d) If the offer includes more than one property, the Buyer will complete the purchase of _____ N/A _____ properties within _____ days after the receipt of the notice of availability, or such other date as may be mutually agreed upon. Buyer will complete the purchase of all properties within _____ days after receipt of the notice of availability, or such other date as may be mutually agreed upon. (Disregard this item if offer is for one property only).

5. Buyer understands and agrees that:

- (a) The Tulsa Development Authority shall furnish Buyer a complete abstract of title to said lands/properties which reflect marketable title.
- (b) Taxes and special assessments, if any, due on or before the closing date shall be paid by the Tulsa Development Authority.

6 Buyer agrees to enter into a formal Contract For Sale of Land For Private Ownership with the Tulsa Development Authority on the form prescribed by the Authority.

7. The undersigned certifies that he/she has examined and is familiar with the Contract for Sale of Land for Private Ownership, the form "Special Warranty Deed"; the Land Use Controls and Restrictions contained in the Urban Renewal Plan and provisions governing the use and redevelopment of the land located within the Extension Sector, and in the case of a structure(s) to be rehabilitated, is familiar with the Rehabilitation Requirements and Standards applicable to said Project.

BUYER:

05-10-2016
Date



APPRAISAL OF



LOCATED AT:

765 East Tecumseh Street
Tulsa, OK 74106

FOR:

Tulsa Development Authority
1216 N Lansing Avenue
Tulsa, OK 74106

BORROWER:

AS OF:

April 29, 2016

BY:

Owen S. Ard, MAI
Certified General Real Estate Appraiser



Summary Appraisal Report • Residential

Appraisal Company: Integra Realty Resources
 Address: 1323 E 71st Street, Suite 105, Tulsa, OK 74136
 Phone: 918-492-4844 Fax: 918-493-7155 Web: IRR.com

Appraiser: Owen S. Ard, MAI Co-Appraiser:
 AI Membership: SRA MAI SRPA Associate Member None
 Other Professional Affiliation: _____
 E-mail: Oard@irr.com E-mail: _____
 Client: Tulsa Development Authority Contact: Ray Meldrum
 Address: 1216 N Lansing Avenue, Tulsa, OK 74106
 Phone: 918-576-5566 Fax: _____ E-mail: Rmeldrum@cityoftulsa.org

REAL ESTATE IDENTIFICATION

Address: 765 East Tecumseh Street
 City: Tulsa County: Tulsa State: OK Zip: 74106
 Legal Description: LTS 3 & 4 LESS S10 THEREOF FOR RD
 Tax Parcel #: 07000-02-25-05450 RE Taxes: Exempt Tax Year: 2016

SUBJECT PROPERTY HISTORY

Owner of Record: Tulsa Development Authority
 Description and analysis of sales within 3 years (minimum) prior to effective date of value: Grantor, Lacy Park, LLC sold to Tulsa Development Authority December 30, 2014. Price is undeclared - Special warranty deed. Document #: 2015000558
 Description and analysis of agreements of sale (contracts), listings, and options: No active listing in MLS and no history in the past year. No pending sales contracts or options were known to the appraiser.

RECONCILIATIONS AND CONCLUSIONS

Indication of Value by Sales Comparison Approach	\$ 9,400
Indication of Value by Cost Approach	\$ 0
Indication of Value by Income Approach	\$ 0

Final Reconciliation of the Methods and Approaches to Value: The sales comparison approach encompasses a buy response of both owner-occupants and investors for single-family residential properties. The site is vacant and there are no improvements to appraise, therefore the cost approach and income approach are not applicable.

Opinion of Value as of: 4-29-2016 \$ 9,400

Subject to any hypothetical conditions or extraordinary assumptions stated in the Assignment Parameters section.

RECEIVED
MAY 17 2016

VACANT / UNIMPROVED PROPERTY
Appraisal Review

Parcel No. _____ Assessor No. 07000-02-25-05450 BY: _____

Value: \$ 9,400.00 Date of Value: 4/29/2016 Site Sq. Ft. 12,666.

Property Address: 765 E. Tecumseh St

Owner(s): Tulsa Development Authority

Tenant(s): Vacant Lot

Appraiser: Owen S. Ard, MAI

Client: Tulsa Dev. Auth. Purpose/Use: Market Value/Negotiate Sale

Property rights appraised: Leased Fee () Leasehold () Fee Simple (X) Other () _____

1. Is the report completed on an acceptable form or in an acceptable format Y N ()

2. Is the appraiser properly licensed or certified to perform the assignment?..... Y N ()

3. Has the appraiser met the competency provision of USPAP?
(disclosed experience for assignment type)..... Y N ()

4. Does the appraiser state the purpose of the report? Y N ()

5. Did the appraiser state the function of the report?..... Y N ()

6. Did the market value definition conform to the regulatory agencies
and USPAP definition?..... Y N ()

7. Is a proper certification (as given in USPAP) as required by the regulatory
agencies attached?..... Y N ()

8. Is the value estimate based upon typical limiting conditions? Y N ()

9. Did the appraiser discuss market trends? Y N ()

10. Is a history of the property (to the effective date) cited in the report?
(Residential minimum three years; Income minimum three years)..... Y N ()

11. Is the present property use a conforming use?
(zoning classification is given?) Y N () RS-4 Y N ()

12. Does the report set forth and discuss the highest & best use
for the property "as vacant"?..... Y N ()

13. Is a value given for the land, "as vacant" and at its highest and best use?..... Y N ()

14. Is there a full legal description in the report?..... Y N ()


15. Other than the sales comparison approach, was either the cost or income approach developed?..... Y() N()
16. Does the final value estimate include real estate only? (excludes personal property, equip., etc.)..... Y() N()
17. Does the report **analyze** and report a reasonable marketing period? ___ years 3 - 6 months..... Y() N()
18. Is all referenced material, or third-party sources cited in the report, available to the reader?..... Y() N()
19. Does the report contain sufficient information/ reasoning to enable the reader to understand it?..... Y() N()
20. Is the property located outside a flood hazard area? (flood map reference in report) Y() N()..... Y() N()
21. Are all public services available? Access() Water() Sewer() Natural Gas() Electricity()..... Y() N()
22. Are the comparable sale dates within a reasonable time period? Y() N()
23. Are adjustments in the sales comparison approach reasonable? Y() N()
24. Is the subject's estimated unit value within the range of unit prices paid for the comparables?..... Y() N()
25. Is the math in the sales comparison correct?..... Y() N()
- (A) Has the appraiser utilized grids to adjust for differences in characteristics?..... Y() N()
- (B) Has the appraiser used units of measure multipliers? (Front ft, Sq.ft, acres, etc).. Y() N()
26. Are lot dimensions and square footage calculations in the report correct?..... Y() N()
27. Did the Appraiser give the property owner the opportunity to accompany him/her during the inspection?..... Y() N()
- (A) Certified letter sent?..... Y() N()

COMMENTS: _____

REVIEW SUMMARY:

Does this report **substantially** conform to the USPAP?..... Y N
The technical skills demonstrated are: Acceptable?..... Y N
Did the reviewer inspect the subject property? (Vacant site)..... Y N
Did the reviewer inspect the comparables?..... Y N

Report received on: 5, 5, 2016 Review completed on: 5, 17, 2016

Reviewed by:  Date: 5, 17, 2016

If this review is completed by a licensed or certified appraiser, the following certification must be signed.

This review is completed under the following conditions:

- . It has been performed without () with the benefit of independent verification of the data contained in the appraisal report.
- . The conclusions and comments in this review are based upon the information as presented in the appraisal report.
- . The reviewer () has has not made a judgment as to the validity of the appraiser's final value estimate.
- . The extent of this review is limited to the conclusions and analysis as set forth in the preceding checklist.

I certify that to the best of my knowledge and belief:

- . the statements of fact contained in this report are true and correct.
- . the reported analysis, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- . I have no present or prospective interest in the property that is the subject of the work under review and no personal interest with respect to the parties involved.
- . I have performed no other services, as an appraiser or in any other capacity, regarding the property that is the of the work under review within the three-year period immediately preceding acceptance of this assignment other than other reviews of up-dated appraisals as may have been required by HUD regulations on age of appraisal or client for updating records and listings.
- . I have no bias with respect to the property that is the subject of the work under review or to the parties involved with this assignment.
- . my engagement in this assignment was not contingent upon developing or reporting predetermined results.
- . my compensation is not contingent on an action or event resulting from the analysis, opinions, or conclusions in this review or from its use.
- . my compensation for completing this assignment is not contingent upon the development or report of predetermined assignment results or assignment results that favors the cause of the client, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal review.
- . my analysis, opinions, and conclusions were developed, and this review report was prepared in conformity with the Uniform Standards of Professional Appraisal Practice.

- . I did () did not personally inspect the subject property.
- . I did () did not personally inspect the comparable properties in the report.
- . No one provided significant appraisal, appraisal review, or appraisal consulting assistance to the person signing this certification.

Reviewer: Ray Maddalena Date: 5/9/2016
Rev. 1/3/2012